

CITY DEBT \$24,000,000 OVER LIMIT, MAYOR IS TOLD

To-Night's Weather—FAIR, MODERATELY WARM.

"10 TO 3"
DAILY WALL STREET
FEATURE THIS EDITION

The

Evening

World.

To-Morrow's Weather—FAIR, MODERATELY WARM.

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BROKER-SPEEDER SENT TO PRISON FOR 15 DAYS

NO 3-CENT STAMPS, NO CHECK OR AUTO TAX TO BE ASKED

White House Makes an Explanation of How Country Is to Be Saved \$600,000,000 of Taxation.

Total Tax is \$3,075,000,000, and Departments Are to Lose \$350,000,000 From Their Yearly Appropriations.

Taxes on Wearing Apparel To Be Repealed—More Relief Is Promised for Next Year.

By David Laurence.
Special Correspondent of The Evening World.

WASHINGTON, Aug. 10 (Copyright, 1921).—The American people will have their first cut in taxes since the European war when they make out their income tax returns next March. President Harding and Secretary Mellon, as well as Republican leaders in Congress, mindful of the overwhelming opinion which demands that Government expenses be cut and taxes reduced, have outlined a programme which represents a net reduction of \$600,000,000 in the amounts that must be raised by direct taxation.

Mr. Harding and the Secretary of the Treasury stood in the President's room of the executive offices and outlined to the correspondents the nature of the changes in the tax programme. Chairman Joseph Fordney of the Ways and Means Committee and Republican Leader Frank Mondell also stood by ready to answer questions and explain the figures. The picture was one of absolute informality, the President having asked his colleagues to stay in the room with him and submit to interrogation so that the public might have no misapprehensions about the tax programme.

In order best to understand the changes that have been made the following table summarizes the data given out by the President and the Secretary of the Treasury.

Amount estimated two weeks ago by Secretary Mellon as necessary to run the Government, \$4,354,000,000.

Amount now officially estimated as budget, \$4,034,000,000.

Net reduction in estimates \$320,000,000.

How was that \$320,000,000 cut in estimates accomplished? The President simply insisted that the various Government departments cut their requests for money still further than they have. Furthermore, certain sums which were falling due this year and which were expected to be paid out of new revenues will be deferred. So the analysis of the \$320,000,000 reduction in estimates is as follows:

Amount by which Government departments will reduce their appropriations \$250,000,000.

Amount of floating debt to be deferred, \$170,000,000.

Total, \$320,000,000.

The floating debt referred to above

(Continued on Second Page.)

15 DAYS IN JAIL FOR BROKER ARRESTED TEN TIMES FOR BREAKING TRAFFIC LAWS

Lieberman, Summoned for Speeding, Threatened to "Bust" Traffic Cop.

"FRIEND OF ENRIGHT."

Magistrate House Denounces Prisoner for Record of \$292 in Fines During Year.

Daniel Lieberman, 24, a woolen broker, with offices at No. 130 Fifth Avenue, who lives at No. 1019 Grand Concourse, the Bronx, was sentenced to fifteen days in the City Prison by Magistrate House in Traffic Court, to-day. Patrolman Joseph Hill, of the traffic squad charged the broker with speeding at 34 miles an hour on Fifth Avenue between 100th and 103d Street, about 4:30 A. M., July 7.

When Mr. Lieberman was arraigned Magistrate House paroled him under suspended sentence to allow Probation Officer McElroy time to make a report on the prisoner's speeding record. McElroy reported that records showed Lieberman had been in court nine times before on charges of traffic law violations.

On Sept. 10, 1920, he was fined \$30 for speeding in New York. On Nov. 9 he was fined \$100 for speeding in Brooklyn. On Nov. 9 he was fined \$25 for violating the eight-foot law. Since 1 he was charged with operating without a driver's license and was discharged, and was discharged later on a similar complaint.

Mr. Lieberman, according to McElroy's report, began his 1921 record by being fined \$30 in February for speeding in New York. In June he was fined \$5 for violating the road rules in Queens and in the same month he was fined \$2 for violating the road rules in New York City. July 2 he was fined \$100 for speeding in Brooklyn.

It was in view of this record that Magistrate House imposed the sentence of fifteen days.

"You are a persistent violator of the traffic laws," said Magistrate House, "and it appears that the only way you can be made to understand them is to be sent to prison. You are no better than other violators and you must go to prison."

Officer Hill said that when he arrested Lieberman on July 7 the latter said to him: "What are you going to do?"

"I am going to send a summons to you," he answered.

"I know Commissioner Enright, and I am a friend of Commissioner Gray. I'll bust you for this," Lieberman said, according to Hill.

"Tell it to Magistrate House," Hill said he replied.

Lieberman denied he was speeding and asserted that his speedometer had been tested the previous day.

2 DIE DEFENDING

A FORD PAYROLL

Two Others are Wounded by

Bandits in Attack Near

Memphis Plant.

MEMPHIS, Tenn., Aug. 10.—Two men were killed and two seriously wounded in a battle to-day between masked bandits and four men taking a \$5,000 payroll to the Ford Motor Company's plant. The dead are Howard L. Gamble, chief Ford inspector, and Policeman B. A. Caraway. The wounded are Edward T. McHenry, Ford cashier, and Policeman W. F. Harris. Harris' condition is critical.

Gamble, McHenry, Harris and Caraway had almost reached the Ford plant in an automobile when the bandits opened fire from another car.

More than fifteen shots were fired. McHenry jumped with the money and got inside the Ford office with it. Caraway fell with seven shots in his back. Gamble died from five shots. The bandits fled as they saw McHenry disappear.

FOR FIRST TIME SUGAR PASSES ITS COMMON DIVIDEND

On 'Change the Stock Falls to 62 3-8, the Lowest Figure in 28 Years.

For the first time since it was organized in 1891, the American Sugar Refining Company to-day was forced to suspend dividend payments on the common stock. It has been disbursing \$7 a share annually to holders of the common and from July, 1918, to the early part of this year paid an extra dividend of 1/4 of 1 per cent. quarterly.

Immediately following the announcement the stock sold down to 62 3-8, a drop of three points compared with the closing price last night and the lowest figure at which it has sold in twenty-eight years.

Following the directors' meeting, Earl D. Pabst, President of the company, issued the following statement: "Since the crises in the sugar industry, the American Sugar Refining Company has been without adequate earnings on its refining operations. Its income from investments has decreased also. Meanwhile, it has taken losses on inventories and from repudiation of contracts for sugar sold to the trade. While conditions have improved recently, it is the judgment of the board of directors that a conservative course should be followed."

Directors of the National Sugar Refining Company, which is closely affiliated with the American Sugar Refining Company, decided to defer dividend action until the next meeting. The last payment was at the rate of \$2.50 a share quarterly.

STEAM FITTERS' WAGES

REDUCED \$1 A DAY.

Pay of Newark Metal Workers

Remains at \$9.

Settlement of the wage dispute which began March 25 when the General Contractors Association of Newark announced a reduction in wage effective May 1, was believed to have been reached to-day by a decision of Judge Fred Stickel of the Court of Common Pleas, who acted as an arbitrator.

Judge Stickel recommended a reduction of \$1 a day for steam fitters and helpers who are now receiving \$10 and \$8 a day and no change for the sheet metal workers who are receiving \$9 a day.

About 1,000 men in the building trades are affected, and it is expected they will accept the recommendation Judge Stickel said there had been a slight reduction in the cost of living but not the 33-1/3 per cent. which the building employers claimed.

CALL RAILROAD BILL

LOAN AND "HAND-OUT."

Democratic Attack Administration

Measure Funding \$500,000,000.

WASHINGTON, Aug. 10.—Opposition to the Administration bill for funding about \$500,000,000 for the railroads developed openly to-day before the Senate Interstate Commerce Committee. Democratic Senators characterized the proposal as a loan to the railroads.

Senator Dummer, of Ohio, referred to it as a "hand-out."

Director Meyer of the War Finance Corporation, defended the bill vigorously as a measure for general country-wide as well as railroad rehabilitation, and denied that it was a loan or a "hand-out."

Senator La Follette inquired deeply into the origin of the legislation. Mr. Meyer said he personally conceived the plan, without suggestions from anybody. His plan, he said, was approved by President Harding, Secretary Mellon and Secretary Hoover.

THE WORLD TRAVEL BUREAU.
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SIX AMERICANS FREED IN RUSSIA ARRIVE AT REVAL

Soviet Envoy Litvinoff Confers With W. L. Brown, American Director, About Americans Still in Russia.

Preliminary Negotiations Are Opened in Riga, America Asking for Soviet's Intentions Regarding Their Freedom.

One of Released Men Has Been in Russian Prisons for Nearly Three Years—Nobody Knows Where Keely Is.

PARIS, Aug. 10.—The Paris headquarters of the American Red Cross to-day received a telegram from Dr. Edward W. Ryan, Red Cross Commissioner to the Baltic States, saying that the six Americans who arrived at Narva last night reached Reval, Estonia, this morning.

REVAL, Estonia, Aug. 10 (Associated Press).—A special Bolshevik automobile, carrying the six Americans who had been released from Russian prisons, arrived here at 6 o'clock this morning, where the American Red Cross will supply them with comfortable clothing to replace their discarded Cossack uniforms and other queer habiliments.

This nondescript garb gave them a strangely foreign appearance, so that they could not be recognized as Americans as they rode in on the Bolshevik conveyance.

All six of the Americans are in fairly good health and appear to be delighted with their freedom. Most of them said they were going to Riga, whence they expect to sail for America as soon as possible.

None of them knew exactly where Royal C. Keely, an American engineer, is at present. They only reply to questions concerning his whereabouts was that he was "running a factory somewhere, for the Bolsheviks."

RIGA, Latvia, Aug. 10 (Associated Press).—Walter L. Brown, European Director of the American Relief Administration, Herbert Hoover's organization, through which it has been planned chiefly to administer the proposed famine relief, arrived in Riga while the six Americans sat free and sent out of Russia through Estonia were on the way to Reval. Maxim Litvinoff, the Soviet envoy for the proposed negotiations, reached here about the same time.

Preliminary negotiations were opened this afternoon, despite earlier indications that they would not meet, the American representative asking Mr. Litvinoff what the Soviet Government's intentions were regarding the

(Continued on Second Page.)

BENNETT UPSETS LA GUARDIA PLAN FOR THIRD TICKET

Former Senator Refuses to Withdraw as Candidate for Mayor.

PICKING MURPHY SLATE

Stern for Borough Head and Banton for Prosecutor May Be the Selections.

Efforts of Aldermanic President La Guardia to bring about a conference between Judge Reuben L. Haskell of Brooklyn, former Senator William M. Bennett and himself with the design of, in some way, coming to an agreement as to which of the three shall be a candidate in the primary to oppose Henry H. Curran, the official Republican candidate for Mayor, fell through to-day largely because of the attitude of Mr. Bennett, who refuses to withdraw.

Judge Haskell suggested, in a telegram to Major La Guardia, that a poll be taken of Republican members of the Grand Jurors in the five counties of Greater New York on the question of whether Haskell, La Guardia or Bennett should make the race. Mr. Bennett refused to consider the proposition. Major La Guardia said he would answer it after consideration.

The Executive Committee of Tammany Hall met this afternoon to ratify a ticket selected by a special committee named last evening to pass on candidates submitted by members of the committee. The following slate was presented and it was said that there was a good chance that it would be confirmed.

For Borough President—M. Samuel Stern, a member of the Board of Education. Mr. Stern is in the real estate business at No. 1547 Broadway.

For Register—Miss Annie Mathews, a member of the Tammany Hall Executive Committee.

For District Attorney—Joseph H. Banton, chief assistant to District Attorney Swann.

For County Clerk—James A. Donagan, a Hearst man, at present serving as Register.

For Sheriff—Percival E. Nagle, Charles W. Calkin.

Major Nagle appeared to have the lead this afternoon on account of his war record and the fact that leaders appear to think Calkin has been pretty well taken care of for many years. Although approaching 60 years of age, Major Nagle enlisted as a private at the outbreak of war and was decorated for bravery and promoted on the battlefield in France. He came home a major.

For judges of General Sessions, Joseph F. Mulqueen, Alfred J. Tully and John J. Freschi.

For city court justices, Edward B.

(Continued on Second Page.)

COURT RESCINDS 8C FARE ORDER TO JERSEY TROLLEYS

Federal Judge Rellstab Admits Error Overriding State Utility Board's Order.

RESENTS U. S. ACTION.

Attorney General Will Carry Question of Autonomy to Supreme Court.

TRENTON, Aug. 10.—Federal Judge John Rellstab to-day rescinded that part of his order of yesterday giving permission to the Public Service Railway to charge an 8 cent fare instead of the 7 cents ordered by the Public Utility Commission.

Judge Rellstab's order to-day reads: "After further reflection and the consideration of the authorities, and in view that an early date for the hearing has been set in this case, so much of the rule to show cause which authorizes the company to increase its fare is vacated."

Attorney General Thomas F. McCrean of New Jersey, said to-day: "Every resource of the Attorney General's department will be thrown into this case, not only because of the question as to what rate of fare shall be charged, but whether or not our affairs shall hereafter be determined by the Federal Courts or by the courts which the people of New Jersey have created for the orderly administration of justice."

"No citizen will question the rights of the Federal Courts to protect every constitutional right, whether of the humblest citizen or of the largest corporation, but I deny and will continue to do so until the Supreme Court of the United States decrees to the contrary, the right of any Federal Department, judicial or otherwise, to say what fare shall be paid by the citizens of New Jersey to a corporation exercising a franchise by permission of the State and operating and conducting its business within our limits."

In the temporary order issued yesterday the court expressed the opinion that irreparable damage would result to the company unless the order was issued allowing the company to charge not more than 8 cents for fares and 2 cents for transfers, providing the company gives its passengers a receipt for the additional 1 cent fare, to be refunded if the proceedings result in a decision against the company.

New Constitution of Massachusetts

Held to Be Invalid.

BOSTON, Aug. 10.—The original State Constitution of 1780 is the supreme law of the Commonwealth and not the rearranged Constitution adopted by the voters Nov. 4, 1919, according to a majority decision of the Supreme Court handed down to-day.

DEMPSEY SAYS CARPENTIER WILL DEFEAT GIBBONS

Frenchman Best in the World for His Weight, Declares the Champion.

DENVER, Aug. 10.

Georges Carpentier was picked as winner over Gibbons in the Gibson-Carpentier bout to be held in New York, by Jack Dempsey, champion heavyweight pugilist. Dempsey and his trainer, Teddy Hayes, are on their way to Los Angeles, after a vacation of ten days in Antonio, Col., Dempsey's childhood home.

"Put your money on Carpentier is my advice," Dempsey told friends. "Carpentier is the best in the world for his weight."

The champion said his trip to New York to confer with Kearns had been postponed.

MEYER COMMITTEE LEARNS CITY EXCEEDED DEBT LIMIT \$24,000,000 IN Hylan Term

Ex-Senator Brown Gives Figures to Establish City's Bad Financial Condition—Mayor Insists Questions on Resources Be Answered by Comptroller Craig.

Ex-Senator Brown, examiner for the Meyer Investigation Committee, started this afternoon's session with the statement that the tax limit as well as the debt limit of the city had been exceeded by the Hylan Administration. He said:

WHO IS MACINNES? HE'S CITY'S CHAMP WIZARD OF FIGURES

The Man the Mayor "Sics" at Meyer—He's a Golfer and a Friend of Harry Lauder.

Duncan MacInnes, who was mentioned several times by Mayor Hylan in his testimony before the Meyer committee as the man who can give the committee all the information it wants about the city's finances, is not known to the general public, but he is very well known in the City Government and in financial circles.

Mr. MacInnes has been chief accountant in the Finance Department for the last twelve years. He was born in Edinburgh, Scotland, received his education as an accountant there and had achieved a reputation in his profession in this city before he entered the Finance Department in 1907.

The work of assembling the finances of the five boroughs combined into Greater New York was done under his supervision. His intimate knowledge of the city's finances is conceded by everybody connected with this Administration and was conceded by everybody connected with the Administrations of Mayors Van Wyck, McClellan, Gaynor and Mitchell. When the Comptroller, whoever he may have been, has had a big problem on his hands he has invariably sent for MacInnes.

Duncan MacInnes lives at No. 216 Hancock Street, Brooklyn. He is an intimate friend of Harry Lauder, the Scotch comedian, who always visits him when in New York. MacInnes is a star amateur golfer and as good an entertainer with song and story as he is an accountant.

BUILDING IN FORD SUIT SELLS AT HALF APPRAISAL.

No. 1710 Broadway Goes to Insurance Company for \$475,000.

United States Marshal McCarthy to-day sold the building at No. 1710 Broadway corner of 54th Street, under a judgment obtained by the Hotel Woodward Company, against the Ford Motor Company for \$600,000. The property was bought in by the Aetna Casualty and Insurance Company for \$475,000.

The building was appraised at \$1,225,000. The hotel company in a suit charging the Ford Company contracted to erect a hotel upon the site and failed to do so. The judgment was granted in November, 1919.

Auto Kills Staten Island Man.

Frank E. Gluck, sixty-one, No. 121 Elizabeth Street, West New Brighton, Staten Island, died at the Broad Street Hospital, to-day of injuries suffered when struck by an automobile at Veasy and Greenwich Streets.

"The limit is 2 per cent. on the assessed valuation of the real and personal property, to be ascertained in the same manner as it is ascertained in determining the city's debt limit. And that is ascertained by fixing 10 per centum of the assessed valuation of the real estate of such county or city subject to taxation, as it appeared by the assessment rolls of said county or city on the last assessment for State or county taxes prior to the incurring of such indebtedness."

"The Mayor states that the levy in the year 1921 is within a million or two of the 2 per cent. of the real and personal property as it appears on the assessment roll. It is about \$24,000,000 more as the valuation of the real and personal property appears upon the assessment roll of the year 1920; and I claim, therefore, it is \$24,000,000 in excess of the constitutional right to levy the 2 per cent."

Mayor Hylan appeared to have given some study, over night, to the proceedings of yesterday, and was in better form than when ex-Senator Brown had him floundering around the Sinking Funds. He was even more assertive to-day in volunteering information to Mr. Brown, that he ought to ask the Comptroller about the city's finances and not the Mayor. He refused to answer intricate questions on finance.

He declared that he had not expected to be compelled to undergo a civil service examination, and was not prepared for such an ordeal. Mr. Brown declared that he had no desire to press the line of inquiry if that were his attitude, and was interested only in getting information about city affairs.

Mr. Brown opened up a ticklish situation, which the Mayor invited when he condemned the mandatory methods used at Albany in passing the \$27,000,000 increase in teachers' salaries, but the Mayor's reply was evidently satisfactory to the audience, for it brought another demonstration in his favor.

The Chairman, at the request of Mr. Brown, insisted that there should be no more such outbreaks.

Mr. Brown asked the Mayor if he complained of the act fixing the wages of the teachers.

"I complained of it because it was mandatory legislation," said the Mayor.

Q. Well, now, I want to ask you if the wages that were fixed by that act were more than you were in favor of fixing them at? A. I was in favor of fixing, and every member of the Board of Estimate and Apportionment was in favor of fixing, the teachers' salaries right here where they are paid out of the pockets of the people.

Q. I ask you if you object to the figures that were fixed for their wages as imposing an improper burden? A. I do not object to the wages, but the wages being fixed at Albany by mandatory legislation and holding the city officials responsible for the increased debt I do object to. (Applause.)

The Mayor showed a flash of humor toward the close of the morning session.

Mr. Brown said, referring to valua-

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